

UNITED STATES BANKRUPTCY COURT  
EASTERN DISTRICT OF VIRGINIA

IN RE: . Case No. 08-35653 (KRH)  
.  
.  
Chapter 11  
Jointly Administered  
CIRCUIT CITY STORES, .  
INC., et al., . 701 East Broad Street  
Richmond, VA 23219  
.  
Debtors. .  
December 20, 2012  
. . . . . 2:09 p.m.

TRANSCRIPT OF HEARING  
BEFORE HONORABLE KEVIN R. HUENNEKENS  
UNITED STATES BANKRUPTCY COURT JUDGE

APPEARANCES:

For the Debtor: Tavenner & Beran, PLC  
By: LYNN L. TAVENNER, ESQ.  
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By: ANDREW W. CAINE, ESQ.  
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For Toshiba Entities: Leiteess Friedberg PC  
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1 COURTROOM DEPUTY: All rise. The court is now in  
2 session. Please be seated and come to order.

3 COURT CLERK: In the matter of Circuit City Stores,  
4 Incorporated, hearings on Items 4 and 5.

5 MS. TAVENNER: Good afternoon, Your Honor. Lynn  
6 Tavenner of the law firm of Tavenner & Beran appearing here  
7 today on behalf of the trust. Also in the courtroom is my  
8 partner, Paula Beran, as well as Ms. Catherine Bradshaw from  
9 the trust.

10 Your Honor, just to show you how seriously Ms.  
11 Bradshaw takes her job, her son is in St. Mary's right now with  
12 a broken arm and so she rushed down here --

13 THE COURT: What's she doing here?

14 (Laughter)

15 MS. TAVENNER: That's what I asked her. She took her  
16 job seriously. I promised her that we would try and get her  
17 out quickly though. But I wanted to let you know --

18 THE COURT: All right. If you'd like to be excused,  
19 you can be excused now.

20 MS. BRADSHAW: He's with his father so he'll be all  
21 right.

22 THE COURT: All right.

23 MS. TAVENNER: Also on the phone, Your Honor --

24 THE COURT: It's even worse.

25 (Laughter)

1 MS. BRADSHAW: Poor kid.

2 MS. TAVENNER: Yes. No comment on the record. Also  
3 on the phone is Mr. Andy Caine from the Pachulski firm in  
4 California. There are just two matters on the agenda, Your  
5 Honor.

6 The first one relates to a pretrial conference in  
7 Adversary 12-03161. That is an adversary that the trust filed  
8 against the State of Tennessee Department of Revenue. It is  
9 not one of the 560 adversaries that we filed with respect to  
10 avoidance actions and deals with -- we're seeking resolution  
11 with regard to sales taxes. And we are happy to report that  
12 our counsel that is involved with the tax matters is in  
13 constant contact and has scheduled another meeting in early  
14 January with counsel for the Department of Revenue in  
15 Tennessee.

16 We're very hopeful that we're going to be able to  
17 completely resolve this matter without having to bother the  
18 Court. As a result, we would request that the pretrial itself  
19 be continued. We would respectfully request that it be  
20 continued until the last omni in February which is February  
21 26th at 2 p.m. and are hopeful that at that point we can tell  
22 you it's all resolved.

23 THE COURT: All right. This matter will be continued  
24 to February 26th at 2 p.m.

25 MS. TAVENNER: Thank you, Your Honor. The second and

1 last matter that's on the docket with respect to Circuit City  
2 is a motion for authorization to file certain agreements under  
3 seal.

4           Your Honor, this relates to matters with regard to  
5 entities that we'll refer to as Toshiba. They have -- it's  
6 more than one entity that have been defined in the motion  
7 itself. And counsel for Toshiba from the Leites law firm,  
8 Gordon Young is here today as well.

9           Your Honor, this is an instance where there actually  
10 has not been an adversary filed to date. There has been  
11 tolling agreements that have been entered into while the  
12 parties attempted to work out their issues.

13           Happy to report that there has been a resolution that  
14 has been reached. Did want to point out that the resolution is  
15 with respect to claims, avoidance actions only. It does not  
16 relate to anything related to the LCD litigation so that is  
17 different than some other matters that have been before you  
18 where we've requested pleadings to be filed under seal.

19           In this instance, we're seeking to actually have the  
20 settlement agreements themselves placed under seal. We believe  
21 that we have reached a very good resolution for the trust with  
22 respect to these entities and part of the agreement, however,  
23 is that they be placed under seal and Toshiba has maintained  
24 that throughout.

25           As a result, we would respectfully request that Your

1 Honor allow us to file the settlement agreements themselves  
2 under seal such that Your Honor can certainly take a look at  
3 them in advance of the hearing on the substantive motion which  
4 is scheduled for January.

5 THE COURT: And this contains a procedure similar to  
6 what we've done in the past where if a party in interest wants  
7 to weigh in on the settlement, they would have the ability to  
8 be able to do that provided they entered into appropriate  
9 confidentiality agreements?

10 MS. TAVENNER: Actually, Your Honor, this one does  
11 not, in that it was different from the others related to the  
12 LCD litigation. We didn't think that that would be appropriate  
13 in this instance or that anybody would really be interested.

14 And because it does just relate to information  
15 between the Toshiba parties and the trust parties and is  
16 proprietary and confidential, we did not ask the Court to, on  
17 the front end, approve any such procedure. Certainly, if  
18 someone inquired and made further inquiry of us, we would  
19 consider something of that nature.

20 THE COURT: All right. Well, having not seen the  
21 settlement agreement itself, I can't weigh in on that but does  
22 counsel wish to be heard?

23 MR. YOUNG: Your Honor, again for the record, Gordon  
24 Young appearing on behalf of the Toshiba entities. Toshiba  
25 fully supports the trust's motion and we're prepared for the

1 order to be entered as the trust -- in the form that the trust  
2 admitted.

3 THE COURT: All right, very good. All right. Does  
4 any party wish to be heard in connection with the motion to  
5 file under seal certain agreements with Toshiba entities?

6 (No audible response)

7 THE COURT: All right. There being no objection, the  
8 Court will enter that order authorizing the trust to file those  
9 documents under seal.

10 MS. TAVENNER: Thank you, Your Honor.

11 THE COURT: All right.

12 MS. TAVENNER: That concludes the matters that are on  
13 the docket for Circuit City today.

14 THE COURT: Okay, very good, thank you.

15 MS. TAVENNER: Thank you.

16 \* \* \* \* \*

17 **C E R T I F I C A T I O N**

18 I, STEPHANIE SCHMITTER, court approved transcriber,  
19 certify that the foregoing is a correct transcript from the  
20 official electronic sound recording of the proceedings in the  
21 above-entitled matter, and to the best of my ability.

22

23 /s/ Stephanie Schmitter

24 STEPHANIE SCHMITTER

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DATE: January 2, 2013